

Brokerage Services for Aviation Liability Insurance

1. Currently, in the market with the \$10,000,000 limit there is only one market who would quote it with a 100% share of the risk. If the limit is increased to \$25,000,000 many markets would be interested on a Shred Risk approach, which in most situations is more economical along with providing more coverage to the insured.

FAA Response: The liability coverage will remain at \$10,000,000.

2. Can we obtain a 5-year “loss-run”. Does the FAA have any type of accounting system to allocate the cost of insurance on an individual location basis to that location’s operating budget?

FAA Response: Listed below is a table that reflects the 5-year loss-run report. No, the FAA does not allocate the cost of insurance on an individual basis to the locations’ operating budget.

Policy Year	Data Current As Of	Number of Claims	Total Incurred
7/15/00-10-01	1/16/09	9	\$740,412
10/1/01-02	1/16/09	1	\$0
10/1/02-03	1/09	15	\$21,058,301
10/1/03-04	12/19/08	1	\$1,502,031
10/1/04-05	12/19/08	6	\$1,819,166
10/1/05-06	1/09	6	\$519,641
10/1/06-07	1/14/09	8	\$91,016
10/1/07-08	1/14/09	3	\$21,500
10/1/08-09	1/14/09	0	\$0

3. Will the FAA consider optional compensation proposals in addition to the traditional fixed price format, such as Part fixed fee + a variable component based on mutually agreed performance parameters, or Commission paid by insurers (and built into the premium) in lieu of a fee?

FAA Response: No. CLIN 0001 for Broker services will remain a firm-fixed price line item and CLIN 0002 for the liability insurance will remain a cost line item.

4. What is the estimated time frame for issuance of the final SIR and the estimated response date?

FAA Response: The SIR is being issued concurrent with the responses to these questions. See section L of the SIR for the due date of proposals.

5. Will the final SIR require us to provide estimated Aviation Liability Insurance premiums?

FAA Response: No. The FAA has inserted the estimated cost of Aviation Liability Insurance premiums, CLIN 0002.

6. As part of the requirements in the Past Performance section, since we are the current contractor, may we ask the FAA to complete the past performance questionnaire?

FAA Response: Yes

7. In responding to the Technical Knowledge and Experience section (page 9 within Section L) - are there specific questions we should answer for each sub-factor?

FAA Response: As stated in section L the offeror shall submit responses demonstrating its knowledge and expertise as it relates to the sub-factors. The offeror shall describe its knowledge and expertise in providing the services identified in each of the sub-factors (a), (b) and (c). For sub-factor (d) the offeror shall provide a resume for the individual identified as key-personnel.

8. What is the term "Contractor Establishment Code". Is this the same as a DUNS number?

FAA Response: The CEC is a nine character alpha-numeric code of which the first eight characters must be numeric. The new CEC numbering system replaces the Dun and Bradstreet Data Universal Numbering System (DUNS) previously used to identify contractors. The CEC is an ID number for Federal contractors.

9. Has the possibility of a set-aside been considered?

FAA Response: The possibility of a set-aside has been considered and it was determined by the market survey completed in October, 2008 that a full and open competition was in the best interest of the FAA.

10. What is the policy start date? Does the period coincide with FAA's fiscal year?

FAA Response: The start date of the policy will be effective October 1, 2009.